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Copy of Order in Council respecting Shipment of Canadian Goods in United States Vessels *viâ* St. Michaels with Regulations and Instructions issued in 1898 and subsequent years, and also correspondence respecting the issue of Orders and Instructions for the season of 1904.

EXTRACT FROM ORDER IN COUNCIL OF 1st MARCH, 1898.

‘That under Regulations to be prescribed by the Minister of Customs, goods purchased in Canada (duty paid or the produce of Canada), be admitted free of duty, into the Yukon Provisional District, when carried by water via St. Michael and the Yukon river from a port in Canada or the United States, notwithstanding that the transportation by water is partly or wholly by a foreign vessel: Provided, however, that the Department of Customs be satisfied as to the identity of the goods.’

‘JOHN J. McGEE,
‘Clerk of the Privy Council.’

MEMORANDUM.

CUSTOMS DEPARTMENT, CANADA, OTTAWA, 9th December, 1898.

Temporary Regulations re Entry of Canadian Goods into Yukon District during the year 1899, when carried in Foreign vessels via St. Michael.

1. Referring to Memorandum No. 966 B., dated 9th February, 1898, *re* entry of goods into Yukon District and Stickeen, collectors of customs in the Yukon Provisional District are hereby instructed that goods purchased in Canada (duty paid or the produce of Canada) may be admitted free of duty into the said district during the year 1899, unless otherwise ordered, when carried by St. Michael and the Yukon river from a port of Canada or of the United States, notwithstanding that the transportation by water is partly or wholly by a foreign vessel, subject, however, to the following regulations prescribed by the Minister of Customs:—

(a.) A manifest or invoice, duly certified, and containing a particular description of the merchandise by packages, marks, numbers and contents, shall be presented to the customs officer at the Canadian port of entry in the Yukon District.

(b.) When the goods are shipped from a port in British Columbia, the certificate of a Canadian customs officer may be endorsed on the manifest or invoice, to the effect that the goods described have been shipped duty free from a port in British Columbia (the same as in section 5 (a) of memo. 966 B.)

(c.) When goods purchased in Canada as aforesaid are forwarded through the United States, it is directed that the manifest or invoice shall have thereon a certificate of the Canadian exporter or his agent, attested before a customs officer in Canada, as near as may be in the form and to the effect set forth hereafter in schedule (Form 1 C.)

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(d.) The identity of the goods shall be established to the satisfaction of the customs officer at the port of entry in the Yukon District, and shall be attested by the oath of the importer or his agent.

2. Although one invoice only is required for Canadian Customs purposes, it will be advisable for parties purchasing goods in Canada to provide themselves with invoices *in duplicate*, duly certified, so as to avoid trouble and delay in passing entries, in case of lost or stray invoices.

3. Customs officers in the Yukon District are required to examine the marks and numbers on the packages landed, comparing the same carefully with the invoices, and opening such packages as may be necessary for examination.

4. The foregoing regulations are temporary, applying only to the entry of Canadian goods via St. Michael and the Yukon river.

JOHN McDOUGALD,
Commissioner of Customs.

Certificate (from Canadian exporter or his agent) for the Yukon trade via St. Michael. During 1899.

I...do solemnly declare and certify the foregoing to be the true and correct invoice of goods, duty paid or the produce of Canada, with the marks and numbers of the packages in which shipped per..... to.....and as sold by the said..... on account of.....

The said invoice being dated at.....and amounting todollars.

(Signature).....

Sworn to at.....
this.....day }
of.....1899.]
Before me,

.....
Customs Officer.
(Customs Stamp.)

MEMORANDUM.

CUSTOMS DEPARTMENT, CANADA, OTTAWA, February, 1900.

Temporary Regulations re entry of Canadian goods into Yukon District during the year 1900, when carried in Foreign vessels via St. Michael.

I. Referring to Memorandum No. 966 B., dated 9th February, 1898, *re* entry of goods into Yukon District and Stickeen, collectors of customs in the Yukon Provisional District are hereby instructed that goods purchased in Canada (duty paid or the produce of Canada) may be admitted free of duty into the said district during the year 1899, unless otherwise ordered, when carried by St. Michael and the Yukon river from a port of Canada or the United States, notwithstanding that the transportation by water is partly or wholly by a foreign vessel, subject, however, to the following regulations prescribed by the Minister of Customs:—

(a.) A manifest or invoice, duly certified, and containing a particular description of the merchandise by packages, marks, numbers and contents, shall be presented to the customs officer at the Canadian port of entry in the Yukon District.

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(b.) When the goods are shipped from a port in British Columbia, the certificate of a Canadian customs officer may be endorsed on the manifest or invoice, to the effect that the goods described have been shipped duty free from a port in British Columbia (the same as in section 5 (a) of memo. 966 B.)

(c.) When goods purchased in Canada as aforesaid are forwarded through the United States, it is directed that the manifest or invoice shall have thereon a certificate of the Canadian exporter or his agent, attested before a customs officer in Canada, as near as may be in the form and to the effect set forth hereafter in schedule (Form 1 C.)

(d.) The identity of the goods shall be established to the satisfaction of the customs officer at the port of entry in the Yukon District, and shall be attested by the oath of the importer or his agent.

2. Although one invoice only is required for Canadian customs purposes, it will be advisable for parties purchasing goods in Canada to provide themselves with invoices *in duplicate*, duly certified, so as to avoid trouble and delay in passing entries, in case of lost or stray invoices.

3. Customs officers in the Yukon District are required to examine the marks and numbers on the packages landed, comparing the same carefully with the invoices, and opening such packages as may be necessary for examination.

4. The foregoing regulations are temporary, applying only to the entry of Canadian goods via St. Michael and the Yukon river, and ceasing to apply to any such Canadian goods carried in foreign bottoms after the season of 1900.

JOHN McDOUGALD,

Commissioner of Customs.

NOTE.—A similar certificate was issued in 1901, 1902 and 1903.

CUSTOMS DEPARTMENT, CANADA, OTTAWA, 13th December, 1900.

Collectors of Customs at seaports of British Columbia and Yukon Territory.

You are instructed that United States steamers may transport from customs ports in British Columbia, goods destined for the Yukon Territory or Alaska via St. Michael, during the year 1901.

Goods arriving at seaports in British Columbia in transit in bond may be entered for exportation to St. Michael on the usual form. Goods of Canadian origin or foreign goods duty paid in Canada, when transported as aforesaid, may be admitted into the Yukon Territory free of duty, if the invoices thereof (in duplicate) are certified by the Canadian exporter before a customs officer in accordance with Form C. 1, hereto appended.

JOHN McDOUGALD,

Commissioner of Customs.

NOTE.—A similar instruction was issued 5th April, 1899; 13th March, 1902, and 6th February, 1903.

THE CANADIAN PACIFIC RAILWAY COMPANY,

MONTREAL, 3rd March, 1904.

JOHN McDOUGALD, Esq.,

Commissioner of Customs,

Ottawa.

I inclose copy of memorandum from a correspondent at Dawson relating to the Coasting Laws. It certainly seems to me that the time has now arrived when some ac-

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tion should be taken to protect our interests—it is a very one-sided arrangement as it now stands. If the Minister could see his way to refusing to pass the usual Order in Council this year, that would bring matters to a head, and would no doubt bring about some more satisfactory arrangement than now exists.

C. DRINKWATER,

Assistant to the President.

Copy of Dawson letter dated 3rd February, 1904.

We have been for some time past gathering what information we could, with the object of laying this matter before you in as complete shape as possible, with the following results:—

First: The United States does not in any way, so far as we can learn, reciprocate by allowing the carrying of goods between any two American points by British or Canadian vessels. To the contrary, they enforce their coasting laws very rigidly, as the following instance will go to show:—

This past summer the Pacific Cold Storage Company, a Tacoma concern, operating also in this territory, obtained a contract to supply the American troops with a certain quantity of beef, which beef was sent forward in two shipments. The shipments were first carried by American vessels from Seattle to Vancouver. At that point they were transferred to Canadian bottoms and brought to Skagway, and thence over the White Pass and Yukon Route Railway to White Horse. A portion of this railway runs through American territory, which portion of the road, we understand, operates under an American charter. From White Horse the said shipments were carried to Eagle on the boats of the British Yukon Navigation Company, one of the subsidiary companies of the White Pass and Yukon Route. On arrival at Eagle the Pacific Cold Storage Company were forced to pay duty on the cattle, which were an American product, for the reason that they had been carried in Canadian bottoms. In regard to this transaction, we have no doubt that the Minister of Customs at Ottawa has full particulars, for the reason that in the case of foreign goods being shipped through here, the shippers are obliged to put up a cheque as security that the goods will be delivered in American territory, which amount is not released until the parties have shown, to the satisfaction of the collector here, that the goods have been received and released by the American customs.

Second: For several years past the large companies here, the Northern Commercial Company and the North American Transportation and Trading Company, through their subsidized lawyers at Ottawa, and the efforts of Messrs. R. P. Rithet and Company, agents for the Pacific Coast Navigation Company, a Seattle transportation concern, which operates between that city and the north, have been able to obtain an Order in Council by which the coast wise regulations have been rescinded each year, in so far as it affects the shipping of goods from British Columbia points to Yukon points, in American bottoms.

We thought it wise to bring these points to your attention, as we feel, not only from the stand point of our customers, but from a patriotic stand point as Canadians, that we should do what we can to prevent the Order in Council being passed this year. Mr. O'Brien, through his lawyer, took this up with the department last summer, and it was his intention to go to Ottawa this winter and lay the matter before them fully. He has, however, been prevented for various reasons from doing so, and we should be very glad, if you feel that you can do so, if you would take the matter up with the government, and do what you can to prevent this very undesirable Order in Council being passed.

Third: We understand the officials of the Canadian Pacific Railway are very much opposed to the Order in Council going through, and we have every reason to believe that if the bank joins issue with them, very little difficulty will be experienced in preventing it passing.

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Fourth: In order that you may have an idea what it would mean for Dawson, to say nothing of the benefits that would accrue to various British ship-owners, we may say it would force the large companies here to transfer to British register some of the eight boats they operated on the river here last year. Furthermore, it would force them to employ British officers, if not British sailors, on the boats transferred, in which connection we may say that the crews employed on the eight boats last season numbered 817 persons. In addition to these boats, two others plied between St. Michael and Dawson last year, the *Robert Kerr* and *Lavelle Young*. These boats would also be forced, if they attempted to operate, to become British bottoms, which would mean the employment of British subjects for crews, numbering 54 persons, or on the ten boats, 871 persons in all, many of whom would be practically forced to make their home here.

Fifth: In the matter of wages of the crews employed on the boats specified above, it would mean a payment of about \$250,000 to British subjects, which is now being earned by American citizens. We understand that the outfitting and supplies for these boats mean an expenditure of \$500,000 per season, all of which would go to Dawson or other British merchants, which now goes to American traders.

Sixth: These boats carried from St. Michael and delivered at Dawson last year, in round figures, 8,000 tons of goods, the value of which was \$850,000, and there was left at various points along the river, owing to the early closing of navigation, to be delivered as soon as navigation opens this year, about 2,500 tons additional, the value of which in round figures is a quarter of a million dollars.

Seventh: In connection with this whole situation it would seem not out of place to remind the Minister of Customs of the various troubles that merchants here have experienced in the early days in getting supplies to Dawson; among other things we understand the United States customs officers charged duty on all fruits, meats, including beef, either live weight or in carcasses, shipped from United States points to Skagway in British bottoms, and exacted duty upon all perishable goods shipped from Canadian ports, consigned to northern British Columbia or Canadian Yukon points, said duty being collected at Skagway; thus compelling the merchants here to pay duty at Skagway on Canadian goods consigned to Dawson, and double duty on American goods shipped via Skagway. This obnoxious regulation was, we believe, rescinded in the fall of 1899. There have also, we understand, been other minor abuses and annoyances on the part of the American authorities, in regard to which the government, if they have not already been advised, could doubtless learn by communicating with the Collector of Customs here, Mr. E. S. Busby, who has been stationed either at Skagway, White Horse or Dawson, since 1898, and who is, we understand, thoroughly conversant with the matter now in discussion.

We trust you will be able to prevent the Order in Council passing, as we can see no valid reason for the government making any exception in the case of boats plying on the Yukon river. Its prevention will, in our opinion, mean a great deal for Dawson, and we should think British Columbia ports, as it will force all goods, duty paid or manufactured in Canada, being shipped via British Columbia ports and being carried in British ships.

DEPARTMENT OF CUSTOMS,

OTTAWA, 5th March, 1904.

C. DRINKWATER, Esq.,

Assistant to the President,

Canadian Pacific Railway Company,

Montreal, P.Q.

I have the honour to acknowledge the receipt of your letter of the 3rd instant, No. 58206, with copy of a communication from a correspondent at Dawson, in regard to the enforcement of the Coasting Laws in that district.

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The representations made will be submitted to the Honourable Minister of Customs for his consideration.

JOHN McDOUGALD,
Commissioner.

DEPARTMENT OF CUSTOMS,
OTTAWA, 15th March, 1904.

The COLLECTOR OF CUSTOMS,
Victoria, Vancouver, Nanaimo, New Westminster, B.C., and Dawson and White Horse, Y.T.

You are advised that the instructions issued in February, 1903, for the free entry of Canadian goods carried by foreign vessels from ports in British Columbia, via St. Michael, into the Yukon, have not been renewed for the present year.

Canadian goods desired to be admitted free into the Yukon *via St. Michael*, should therefore be carried only in vessels entitled to participate in the coasting trade of Canada.

Customs certificates are to be granted accordingly.

JOHN McDOUGALD,
Commissioner of Customs.

DEPARTMENT OF CUSTOMS,
OTTAWA, 29th March, 1904.

J. S. CLUTE, Esq., Inspector of Customs, New Westminster, B.C.

You are hereby advised that the instructions issued in February, 1903, under authority of an Order in Council, for the free entry of Canadian goods carried by foreign vessels from ports in British Columbia, via St. Michael, into the Yukon, have now been renewed. You may grant certificates accordingly in the usual form.

JOHN McDOUGALD,
Commissioner of Customs.

Copy to Collectors of Customs, Victoria, Vancouver, Nanaimo, New Westminster, Dawson, White Horse.